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REVISED L-38 PERMITS FEW MORE ITEMS, SETS STAGE FOR OTHERS

The amended order L-38 was issued Thursday, Aug. 31. A quick analysis reveals that while the order apparently has been almost completely re-written, there are no changes other than those that had been pretty well predicted in advance. (Text of the amended order will be published in the next issue.)

The old "permitted" and "prohibited" lists A through D have been eliminated and are replaced by one "Schedule A—Production Quotas For Classes of Systems and Parts" which gives either a specific percentage of production permitted, or a zero percentage. The zero percentage opens the way for permitted production of various classes of products as future conditions allow, without further amending the order.

Two new classes of equipment can be produced on the basis of 25% of the 1940 dollar volume or the volume of rated orders, whichever may be higher. These types of equipment are "*self-contained store type air conditioning units, 3 hp. and over in size; and blood plasma cabinets, rivet coolers, and industrial low temperature cabinets, except for food freezing or food storage.*"

The order also provides that any person who wishes to produce any items of a "class" for which he has no quota or a limited quota under Schedule A, may apply for permission to do so as explained in Priorities Regulation 25 (the "reconversion order"). However, there are a number of restrictions against the use of condensing units, compressors, and controls in equipment to be manufactured under authorizations given through Priorities Regulation 25.

The other provisions of the order are much the same as before. AA-5 ratings are required for any new system, parts, or reconditioned systems with new condensing unit or compressor unit.

MRO ratings under CMP 5 or 5A cannot be used to get a new system, or add to an existing one, unless it is to replace a wornout system of the same size (exceptions are granted for plant production area facilities).

Farmers can obtain new farm milk coolers with a county farm board certificate.

WISCONSIN GROUP ASKS 'FAIR TREATMENT' ON FHA FINANCING

A resolution asking for a "fair and just participation by retail appliance dealers" in major appliance sales brought under FHA single mortgage financing of "complete homes," has been passed by the Wisconsin Radio, Refrigeration & Appliance Association, which headquarters in Milwaukee.

"The retail appliance dealers of the Milwaukee trade area recognize the advantage of this FHA financing plan from the standpoint of increasing public acceptance and use of major appliances, but they can see no good reason why this business should be transferred to the house builder, or why any other new outlet should be created to handle it," the resolution declared.

"Recognizing the manufacturers of appliances to be in first position to control this matter," the resolution continues, "and wholesale distributors in the number two position of control, the retail appliance dealers of the Milwaukee trade area appeal to both manufacturers and wholesale distributors to immediately set up plans for the handling of this possible new business which will give the retailer a fair and just participation in it."

LABOR GROUPS SUGGEST PRODUCTION OF REFRIGERATOR & WASHER PARTS NOW

Manufacturers of refrigerators and domestic laundry equipment should be permitted now to start producing parts, especially "long-time" items, to prepare for resumption of civilian production, WPB has been advised by the recently formed Domestic Refrigerator and Domestic Laundry Equipment Labor Advisory committees.

Starting from scratch, plants now engaged in war work would require six to nine months to reach 50% of their normal assembly-line civilian production, but this time could be greatly shortened if bin storage for certain parts is permitted now, said the labor committees. In addition, such a move should "avert repercussions due to cutbacks and allow time for retraining of workers," according to the labor representatives.

Recommendation that WPB study the possibility of forming consumer goods production pools was also made by the labor committees. By pooling the facilities and manpower of a number of plants, the committees declared, it may be possible to produce a limited number of refrigerators and washing machines before reconversion.

WPB officials reiterated, however, that little or no civilian production of refrigerators and washing machines can be expected until Germany has been defeated.

BUNA-S RELEASED FOR REFRIGERATOR GASKETS

Buna-S, the synthetic rubber, has just been released for the manufacture of refrigeration door gaskets, reports H. W. Jarrow, head of Jarrow Products, manufacturers of this item.

Replacement gaskets made of Buna-S will probably be available through refrigeration parts and supply jobbers within the next 90 days, Mr. Jarrow declared.

"Buna-S should give as satisfactory results as crude rubber," Mr. Jarrow declares. "It has a tear strength equal to crude rubber and will resist abrasive action slightly better. In resistance to greases, fats, and oils, it is superior to crude rubber."

Since 1942 what gaskets that have been produced were made of "reclaimed" rubber, which gasket manufacturers plainly stated would be inferior, according to Mr. Jarrow.

KRUG APPOINTMENT SEEN AS AID TO RECONVERSION

Appointment of Lt. Comdr. J. A. Krug as acting chairman of WPB during Donald M. Nelson's absence in Chicago is thought by most Washington observers to be a victory for the group within WPB which is seeking speedier reconversion to civilian goods manufacture.

Krug has generally been identified with the so-called "New Deal" group in WPB, who have battled Army efforts to block reconversion, and who favor "piecemeal" reconversion by letting individual companies go ahead and make what they can, rather than waiting for all the companies in one field to finish out their war contracts and toe the starting line at the same time.

Before joining the Navy, Krug had held a number of important jobs in WPB and OPM, and before that was noted for his activities in connection with the TVA expansion.

The new WPB acting chief told the Senate War Investigating Committee he was "in complete accord" with the absent chairman's program for the manufacture of civilian goods at once in areas where manpower and materials are available.

"Small business," he said, "should have an equality of chance in getting back into peacetime production. They are really the key to prompt reconversion, because they can pick up the industrial slack so much more quickly than big industry, which normally requires a much longer time to retool."

REFRIGERATION FIELD TO GET MOTORS WHEN CIVILIAN ALLOTMENT IS MADE

There are plenty of reasons why household electric refrigerators can't be produced right now, but the one big bottleneck that may hold up their production for some time is the lack of fractional horsepower motors, Henry A. Dinegar, Director of the Consumers Durable Goods Division of WPB declared before a recent meeting in Boston.

Mr. Dinegar indicated that refrigerators will be high on the list when allocations of motors for civilian goods are made.

MACY'S AND MAY CO. FORM NEW BUYING ORGANIZATION

Establishment of a new company, Affiliated Retailers, Inc., for the cooperative development, buying, and promotion of merchandise by the May Department Stores Co. and R. H. Macy & Co., Inc., was announced last week by officials of the two companies. Combined sales volume of these companies is estimated to be \$350 million.

Howard B. Barber, formerly division manager of major appliances at Montgomery Ward & Co., has been appointed head of the new organization, which will have its central office in New York City.

The company, it was explained, will handle many lines in both durable and soft goods where joint development is felt to be advantageous. It is also said that the organization will work closely with manufacturers in developing special lines of merchandise.

There were some rumors to the effect that the appointment of Mr. Barber, whose experience has been in the appliance business, will tend to direct the efforts of the organization into the consumers durable goods field, and put them on a competing basis in their buying with the big mail order houses.

Mr. Barber was with Kelvinator from 1924 to 1935, the last three years as manager of the New York branch. In 1935 he joined Montgomery Ward in Chicago as division manager in charge of electric refrigerators.

WLB PONDER'S PITTSBURGH SERVICE MEN'S TERMS

Further investigation has turned up some discrepancies in the story on the strike of refrigeration service men in Pittsburgh (reported in the Aug. 14 issue of the NEWS).

The story said that the men had been given a 10-cent an hour raise, and a week's vacation each working year.

It is now revealed that these terms were merely the agreement reached between the AF of L Union Local 449 and the Refrigeration & Air Conditioning Contractors Association of Pittsburgh, which were then submitted on Form 10 to the Wage and Hour Division of the War Labor Board.

No reply has yet been obtained from the War Labor Board as to whether it will okay the agreement. If it does, it will not be retroactive, it is stated.

CANADA WILL RELEASE NO REFRIGERATORS AFTER AUGUST

No new electric refrigerators will be released in Canada for domestic use after the month of August, according to an announcement Aug. 24 by M. C. Lowe, Administrator of Electrical Products for the Wartime Prices and Trade Board.

Production of electric refrigerators was stopped in 1942, but limited numbers were released to dealers during 1943 from stocks built-up before manufacture ceased. Since April of this year, releases have been at the rate of 100 per month.

At present, there are only 225 new domestic type electric refrigerators left in stock in Canada—the equivalent of one day's production in normal times, and these are to be held for use by hospitals.

Mr. Lowe said that production facilities of companies normally making refrigerators are occupied fully with essential war work at the present time. From six to nine months, he said, would be required between authorization of any civilian production and the appearance of the machines on the market.

HICHBORN JOINS BENDIX HOME APPLIANCES; 3 DISTRICT MEN PROMOTED

Naming of Paul Hichborn as retail merchandising manager for Bendix Home Appliances, Inc., and the appointment of three divisional sales managers has been announced by Judson S. Sayre, president. W. A. Becker is to be mid-west sales manager; C. J. Laufersweiler, west coast sales manager, and C. D. Mitchell, southeast sales manager. These three were previously district managers.

Although Mr. Hichborn comes to Bendix from Gooderham & Worts, Hiram Walker subsidiary, where he was merchandise manager, he has had more than 15 years' experience in electrical appliances. For 10 years Mr. Hichborn was retail sales manager of Rex Cole, Inc., distributor for General Electric appliances in New York City. Later he managed sales for Electrical Housekeeping, Inc., G-E distributor in Cleveland, after which for several years he was retail merchandising manager of G-E's Air Conditioning & Heating Department at Bloomfield, N. J.

CMP-5 CAN BE USED FOR SUPPLIES TO INSTALL EQUIPMENT

Any person assigned a maintenance, repair, and operating supplies symbol (MRO) and rating under CMP Regulation No. 5 may use such rating to obtain materials to install or relocate machinery or equipment, WPB announced Aug. 23. This action was taken by amending Direction 15 to the regulation.

Where construction is involved, officials said, persons may obtain materials needed for the installation or relocation of machinery or equipment that Direction 2 to Order L-41 (Construction) permits them to install or relocate without obtaining an authorization from the War Production Board.

If construction is not involved, materials valued up to \$500 may be obtained to install any piece of machinery or equipment rated or authorized by WPB, officials said.

CHEAP ALL-PURPOSE RADIO RECEIVING SETS ARE FORECAST

When production of radio sets is resumed, many sets retailing from \$60 and \$65 up will cover the standard, frequency modulation, and one or more shortwave bands, it was predicted last week by the National Association of Broadcasters.

The Association also said that because of increasing shipments of radio tubes, that all black market tube operations should disappear by early 1945.

EXTENSION OF TRAINING PROGRAM TO BE DISCUSSED

The National Refrigeration Service Council, which coordinates the National Refrigeration Service Manpower Training Program in which 5,000 men are being trained as replacements in the refrigeration service field this year, will meet Sept. 11 at the Statler hotel in Washington.

Plans for an extension of the Training Program have been drawn up and will be submitted for the approval of the Council, according to John Wyllie, Jr., national chairman of the Council, and W. R. Kromer, national program director.

BENDIX AVIATION CORP. TO PRODUCE HOME RADIOS

Home radio receivers will be manufactured and marketed by Bendix Aviation Corp.'s radio division in Baltimore, Md., one of the world's largest producers of precision radio, radar, and other communications equipment for aircraft and military use, announces E. R. Breech, president.

Output of the radio division recently hit a \$200,000,000 annual production rate, 90% of which is in secret devices, research, and developments which will permit Bendix to produce high quality home radio equipment at reasonable costs, according to W. P. Hilliard, general manager of the radio division.

There has been no announcement as to who will directly supervise the new home radio activities. George Myrick is marketing director of the parent company. Distribution plans, it is said, call for carefully selected distributors and retailers to be supported by national and local advertising and sales promotion.